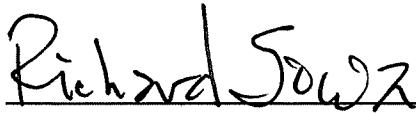


## NOTICE OF DECISION

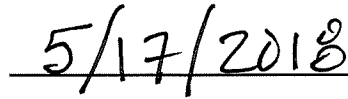
<b>APPLICANT</b>	Issaquah Studio Lofts LLC Attention: Robert Power 165 NE Juniper Street, Suite 100 Issaquah, WA 98027
<b>PROJECT NAME</b>	Issaquah Studio Lofts
<b>FILE NUMBER</b>	Project No. PRJ17-00012 Site Development Permit No. SDP17-00003
<b>REQUEST</b>	Site Development Permit approval for a four-story mixed-use building measuring approximately 47,043 square feet.
<b>APPROVAL DATE</b>	May 17, 2018
<b>PROJECT LOCATION</b>	160 Northwest Gilman Boulevard Issaquah, WA 98027 Parcel No. 2769650000
<b>ZONING DISTRICT</b>	Mixed Use (MU)
<b>PROJECT PLANNER</b>	Dan Martinez, Assistant Planner Development Services Department   (425) 837-3124

## I. DECISION

The Development Commission reviewed the proposed Site Development Permit for the Issaquah Studio Lofts, File Number SDP17-00003, during two public hearings conducted on April 4, 2018, and May 2, 2018. After reviewing the application, the Staff Report dated March 23, 2018, with Exhibits A through G; the Briefing Response Memo dated April 25, 2018, with Exhibits A through E; and, listening to representatives on behalf of the applicant, city staff, and residents of Issaquah, the Development Commission approved the Site Development Permit with Conditions as recommended by staff in the Staff Report and Briefing Response Memorandum, and as amended during the Public Hearing on May 2, 2018. Approval of the land use application is based on the Findings of Fact in Part II, the Staff Report, the Briefing Response Memorandum, the project materials listed above, the Conclusions in Part III below, and is subject to the conditions contained in Part IV below.



Richard Sowa, Chair  
Development Commission



Date

This Notice of Decision has been executed this 17th day of May 2018 by the Chairman of the Development Commission on behalf of and per the direction of the Development Commission.

WHEREAS, public hearings were held on April 4, 2018, and May 2, 2018, to consider a Site Development Permit for a four-story mixed-use building on a site measuring approximately 47,043 square feet; and,

WHEREAS, the Development Commission reviewed the application on April 4, 2018, and May 2, 2018, and has had adequate time to review and reflect upon the application; and,

WHEREAS, all persons desiring to comment on the proposal were given a full and complete opportunity to be heard at a Public Hearing conducted on two separate nights; and,

WHEREAS, the Development Commission is now satisfied that the application has been sufficiently considered, and hereby makes and enters the following:

## II. FINDINGS OF FACT

1. To be approved, the proposed Site Development Permit must comply with the requirements of the Central Issaquah Plan – Development and Design Standards (CIDDS), the Gilman Traffic Signal & 3-Trails Crossing Development Agreement, the Issaquah Comprehensive Plan, and the Issaquah Land Use Code (IMC 18).
2. Issaquah Studio Lofts LLC submitted a Site Development Permit application on November 16, 2017, to construct a four-story mixed-use building measuring approximately 47,043 square feet consisting of two ground level retail spaces measuring approximately 2,500 square feet, and three stories of individually leased workspaces. Site improvements include ground-level parking spaces, associated landscaping, and utilities.

3. Table 4.3A of the CIDDS requires development projects greater than or equal to 100,000 square feet, or a site area of greater than or equal to three acres, be reviewed under Level 3 criteria. When included with the adjacent self-storage building measuring approximately 88,0000 square feet, approved under ASDP15-00002, the development for the site equals approximately 135,043 square feet. Therefore, review and approval of the project by the Development Commission was required.
4. The property is located at 160 NW Gilman Boulevard. The site is located north of NW Gilman Boulevard, and south of Interstate 90. 4<sup>th</sup> Avenue NW is located to the northwest, and Front Street N is located to the southeast.
5. The property is zoned Mixed-Use (MU) and is designated as Mixed-Use in the City of Issaquah's Comprehensive Plan.
6. The site is currently cleared but without development or structures, except the adjacent self-storage building which is under construction.
7. Access to the site will be granted by NW Gilman Boulevard.
8. Pursuant to the CIDDS, Section 4.3, the Commission conducted a review of permits within their purview.
9. Staff have thoroughly reviewed the application and presented their findings verbally and in a Staff Report dated March 23, 2018. This report thoroughly reviews the application in relation to the applicable approval requirements. The report contains sections on Surrounding Uses; Background; Basis for Review and Approval; Two-party Development Agreement between the City of Issaquah and Issaquah Studio Lofts LLC; Public Notification; SEPA Compliance; Purpose and Applicability; Zoning Districts, Uses and Standards; Density Bonus Program; Circulation; Community Space; Parking; Landscape, Tree Preservation, Tree Density, and Tree Replacement; Site Design; Architecture and Urban Design; Comprehensive Plan; Public Comment; City Department Review (Fire, Public Works Operations, Engineering, Stormwater, Building, Police, and Parks); and a recommendation of approval, subject to 24 conditions. In addition, the staff report contains numerous attachments, which relate to the review of the project. Staff issued a supplementary Briefing Response Memo based on issues raised by the Development Commission and the public during the first portion of the Public Hearing, dated April 25, 2018. The Development Commission finds these documents, including their attachments, to be a thorough and complete review of the application and hereby incorporates its factual information by reference as a finding.
10. The Two-party Development Agreement between the City of Issaquah and Issaquah Studio Lofts LLC, File No. DA17-00001, titled the *Gilman Traffic Signal & 3-Trails Crossing Development Agreement*, was used to evaluate the development proposal. Urban Design, Architectural Fit, Bus Stop, and Trail Engagement as identified in the Development Agreement were required to be reviewed and approved by the Development Commission. The Development Commission has considered the requirements of the Development Agreement in its recommendation on the matter. The proposal, with the recommended conditions of approval, complies with the requirements of the Development Agreement.
11. Subsection 3.1 of the Development Agreement requires that the City work with King County to obtain authorization to utilize portions of the proposed improvements that would allow crossing

County right-of-way. Should the City not be successful in acquiring rights from King County, the Parties shall work to see if the improvements can be made without County participation. If the Parties agree the project cannot happen without County participation, the Parties agree that this would serve as just cause to terminate DA17-00001. Should an agreement for access and maintenance between the City and the County be executed, the applicant has acknowledged that the construction permits may be subject to review by both the City and the County. The proposed trail plaza would be located within King County right-of-way. The King County Parks Staff recently indicated that they would no longer be willing to allow the proposed trail plaza to be located on King County property if the City did not agree to maintain the proposed improvements due to their poor experience with past private maintenance agreements. Development Services Department Staff is currently in the process of working with King County Parks to address their concerns.

12. The Development Commission held a public hearing on the proposed Site Development Permit on April 4, 2018, and it was continued to May 2, 2018. Notice of the hearing was forwarded to the Issaquah Reporter, posted on the City's website, and mailed to property owners within 300 feet; and the site was posted. Notices of application and public hearing were provided consistent with the requirements of IMC 18.04.180 Public Notification.
13. Beyond the information provided in the application, the Staff Report and its attachments, and the Briefing Response Memo and its attachments, significant information was provided by staff and the applicant to the Development Commission during the course of the public process to enable it to have a complete and thorough understanding of the project. This includes:
  - a. a slide presentation by staff of the existing site and surrounding areas; a presentation by staff of how the project complies with the CIDDS and the Draft Architecture and Urban Design Manual Dated July 20, 2017; and,
  - b. a presentation by the applicant explaining the project; and,
  - c. a presentation by Staff and the applicant of their responses to the Commission's and public's comments, concerns, and questions raised at the first part of the Public Hearing.
14. The public was given the opportunity to provide testimony at the public hearing held on April 4, 2018, and May 2, 2018. At the first portion of the public hearing four members of the public testified and at the second portion of the public hearing two members of the public testified. A number of people spoke in opposition to certain aspects of the application. The topics of concern include: the proper following of procedures; concerns relating to the design of the building against the Draft Architecture and Urban Design Guidelines dated July 20, 2017; building design against the requirements of the CIDDS; the design of both the trail-side and building plazas; parking and circulation; the design of the proposed traffic and pedestrian signal improvements; environmental concerns relating to a ditch, and parking lot runoff; opportunities for on-site tree plantings; and, concerns relating to the construction of a bus stop. The Development Commission has considered this testimony in its recommendation on the matter.
15. Further public testimony was provided in the form of several emails related to the application. That is, two persons sent seven emails related to the application. The concerns expressed in the email communication received by Staff focused primarily on the design and construction of the proposed traffic and pedestrian signal improvements. The Development Commission has considered this testimony and information in its decision on the matter.
16. The Public Record was closed on May 2, 2018.

17. The critical area standards of IMC Chapter 18.10 (Environmental Protection) were not used because the wetland and ditch associated with the property do not have buffers or impacts on the portion of site in question.
18. The development standards for Zoning and Uses as set forth in Chapter 4 of the CIDDS were used to evaluate the development proposal. The proposal complies with the applicable approvable criteria.
19. The development standards for Density Bonus as set forth in Chapter 5 of the CIDDS; the development standards for Circulation Development and Design set forth in Chapters 6 and 12 of the CIDDS; the development standards for Parking Development and Design as set forth in Chapters 8 and 15 of the CIDDS; the development standards for Landscape Development and Design as set forth in Chapters 10 and 16 of the CIDDS; and, the development standards for Site Design as set forth in Chapter 11 of the CIDDS, were used to evaluate the development proposal. The proposal, with the recommended conditions of approval, complies with the applicable standards.
20. The development standards for Architecture and Urban Design as set forth in the July 20, 2017, Draft of the Architecture and Urban Design Manual (Design Manual) were used to evaluate the development proposal. The Development Agreement, which allowed the project to move through the current Moratorium, was adopted on May 11, 2017. The Final Design Manual was adopted by the City Council on December 18, 2017. As a result, the applicant began designing the project with the use of the July 20, 2017, Draft Design Manual. The project application was received on November 17, 2017. Accordingly, the Draft Design Manual was used to evaluate the project in the absence of a yet-to-be-adopted Final Design Manual. The proposal, with the recommended conditions of approval, complies with the applicable standards.
21. The proposal was referred to other City Departments including Fire, Public Works Operations, Engineering, Stormwater, Building, Police, and Parks for review and comment. Those comments received have been conditioned or incorporated into the Staff Report where applicable.
22. Any conclusion listed below which could be considered a finding is hereby incorporated as a finding.

### **III. CONCLUSIONS**

Having rendered the above-cited Findings, the Development Commission draws the following Conclusions:

1. The conditioned proposal will serve the public interest and will protect the public health, safety, and general welfare. Appropriate provisions have been made for density bonus, vehicular and pedestrian circulation, community space, parking, landscape, site design, architectural and urban design, and utilities including water and sewer.
2. This proposal was reviewed in accordance with the Central Issaquah Plan – Development and Design Standards (CIDDS); the July 20, 2017, Draft Design Manual; the Gilman Traffic Signal & 3-Trails Crossing Development Agreement; the Issaquah Comprehensive Plan, and the Issaquah Land Use Code (IMC 18), and was determined to be subject to a Level 3 review. The Development

Commission is responsible for reviewing and making the decision for Level 3 Site Development Permit applications.

3. The application contains adequate information for the Development Commission to render this decision.
4. The environmental impacts of this proposal have been reviewed according to the Washington State Environmental Policy Act and a Final Mitigated Determination of Nonsignificance (MDNS) was issued on February 23, 2018. Mitigation measures include payment of the City's bicycle/pedestrian mitigation fees and public service fees.
5. The proposal complies with the Level 3 approval criteria found in Chapter 3 (Procedures) of the Central Issaquah Plan – Development and Design Standards, applicable standards of the Issaquah Land Use Code (IMC Chapter 18), and is consistent with the policies of the City of Issaquah Comprehensive Plan (as amended and effective on October 25, 2017).
6. The Staff Report and Briefing Response Memo are a thorough and complete review of the application, and the Development Commission hereby incorporates their conclusions by reference.
7. Adequate and timely notices to the public and the Parties of Record, as prescribed in the Procedures of the Land Use Code (IMC 18.04), have been provided.
8. The Public had an opportunity to comment at the Development Commission Public Hearings on April 4, 2018, and May 2, 2018.
9. The information provided during the public review process by the staff and the applicant have further assisted the Development Commission to fully comprehend the proposal.
10. The Hearing record, prepared by the Administration, is adequate to render a valid recommendation on this application.
11. In order for the above Conclusions to be supportable, the proposal must be conditioned, as recommended below.
12. Any finding above which could be considered a conclusion is hereby incorporated as a conclusion.

#### **IV. APPEALING THE DECISION**

This decision may be appealed. A Closed Record appeal of this decision shall follow the procedures set forth in IMC 18.04.250 (Administrative appeals) of the Land Use Code, and shall be heard by the City's Hearing Examiner. Appeals may be filed by the applicant, the City Responsible Official, property owners within three hundred feet of the proposed action, or other persons claiming to be directly harmed by the proposed action within 14 calendar days after the Responsible Official issues the decision and provides it to the applicant. A letter of appeal shall include the reason for the appeal and a \$750.00 filing fee. All appeals shall be filed with the Development Services Department by 5:00 PM on May 25, 2018.

For further information on the appeal procedure or if you have any questions regarding this Notice of Decision, please contact the Project Planner (contact information provided above).

## **V. MOTION**

I move that the Development Commission approve Site Development Permit Number SDP17-00003 for the Issaquah Lofts, Project Number PRJ17-00012, as described and evaluated in the Staff Report dated March 23, 2018, with Exhibits A through G; the Briefing Response Memo dated April 25, 2018, with Exhibits A through E; the project drawings and reports received November 16, 2017, and all subsequent submittals up to April 19, 2018, and subject to the conditions contained in the Staff Report, and removed and new conditions contained in the Briefing Response Memo (New Condition Numbers 25 through 34, and Removed Condition Numbers 10, 11, and 12) And as amended tonight:

Condition No. 13:

ADD The parking structure's screening on the east side of the building shall use plantings that provide year-round screening.

Condition No. 14:

ADD The applicant will work to add as many trees on site that is practical and cognizant of tree health and public safety.

Condition No. 26:

REVISED Massing – Roof forms shall be more complex through the use of dormers or other features consistent with the Arts & Crafts style.

Condition No. 27:

DELETE

And, I move that the Development Commission direct the Development Services Department to prepare Findings of Fact and Conclusions for review and approval by the Development Commission Chair, affirming the Development Commission's decision to approve the Issaquah Lofts project, Site Development Permit Number SDP17-00003, subject to the conditions listed in the Staff Report, modified in the Briefing Response Memo, and as amended tonight.

## **VI. CONDITIONS OF APPROVAL**

1. The applicant shall comply with Sections 4.4 and 4.5 of DA17-00001 through the construction permit process. Construction permits may not be issued until the Director or their designee determines that compliance with these Sections has been satisfied.
2. SEPA mitigation measures shall be deemed conditions of approval of the licensing decision pursuant to Chapter 18.10 of the Issaquah Land Use Code. All conditions are based on policies adopted by reference in the Land Use Code.
3. The approval of the SDP with the conditions of approval does not preclude further Staff requirements during construction permits review of the project to ensure compliance with the CIDDs. Additionally, unless expressly identified, approval of this SDP application does not modify any City or Central Issaquah Plan standards, which are in conflict with the elements of the SDP plan or application. Modification of the standards or guidelines requires an explicit approval in the Notice of Decision for this application or a separate Administrative Adjustment of Standards as allowed under Chapter 1.0.(E) (Administrative Adjustment of Standards Flexibility).

4. Density Bonus method will be finalized with the Building Permit. Payment of Density Bonus Program fees shall be collected prior to Building permit issuance.
5. Any existing non-conforming ADA crosswalks and ramps that provide immediate access to circulation facilities within the project shall be reconstructed so that they are in compliance with ADA standards in effect at the time of permit issuance.
6. All pedestrian circulation facilities shall provide a minimum width based on the CIDD standards, clear of intrusions, including bollards, handrails, railings, mature plantings, and so forth.
7. A wide band of decorative concrete shall be constructed at the entrance of the project site in order to highlight the intersection and to indicate pedestrian priority of the intersection.
8. Applicant shall provide pedestrian scale lighting and special paving, such as decorative colored concrete, concrete unit brick or stone pavers that support bicycle as well as pedestrian use.
9. Final parking stall mix per CIDD 8.18 will be verified with the Site Work permit.
10. DELETED by the Development Commission
11. DELETED by the Development Commission
12. DELETED by the Development Commission
13. The surface parking lot shall be softened with the required 10 percent landscaping and provision of one tree for every six parking spaces. If ten percent internal parking lot landscaping is not provided, architectural parking lot edge treatments shall be utilized per CIDD 10.5. Additionally, the applicant shall provide plans, to be reviewed with the construction permits, that demonstrate compliance with Chapter 15.3. This will be verified with the review of Site Work and Landscape permits. The parking structure's screening on the east side of the building shall use plantings that provide year-round screening.
14. In order to mitigate for the reduction in tree retention as approved under ASDP15-00002; and, to meet the minimum tree density for the lot, replacement trees must be provided at a rate of five (5) trees per 5,000 square feet of Developable Site Area per Section 10.13 and 10.14 of the CIDD. Tree retention, tree density, and tree replacement will be reviewed as part of the Site Work and Landscape permits. Further, the exact number and location of all trees and landscaping shall be determined with the Site Work and Landscape The applicant is required to provide trees on or off-site, or pay a fee-in-lieu of to the City Tree Fund per Sections 10.14 of the CIDD. The applicant will work to add as many trees on site that is practical and cognizant of tree health and public safety.
15. Mechanical and utility equipment were not shown on the site plan, it is therefore assumed that they are located within buildings or in locations that do not impact achieving the vision for the project and compliance with CIDD, such as within parking areas.
16. The external waste enclosure serving the studio lofts shall be required to be covered and must be designed to keep wildlife out. The size and location of the waste enclosure must be reviewed and approved by Recology, the City's waste purveyor, to ensure that it is the correct size to



accommodate three waste streams. Final size and location will be determined through a joint review with Recology during review of the Site Work permit. Lastly, the outside waste enclosure for the studio lofts shall be screened appropriately including the use of landscape screening and suitable structure design and materials.

17. The building shall be revised to have only three materials or styles of materials by eliminating one simulated wood style. Doors and Windows inserted into the brick ground floor shall have contrasting stone surrounds or lintels.
18. The building shall be revised to have 70 percent transparency on the retail portion of the building and 75 percent weather protection on the required facades.
19. Due to the configuration of the access driveway, turning movements of large delivery trucks may require both lanes on NW Gilman Blvd. Therefore, the site access for trucks and truck trailers 35-feet and longer shall be restricted to the hours between 10:00 p.m. and 6:00 a.m. This component shall be reviewed with the intersection design.
20. Further analysis pertaining to Section 2 of the Development Agreement will be required in conjunction with the traffic signal review. The agreement shall be executed and bonded prior to issuance of the Site Development Permit.
21. Traffic improvements are dependent upon the signal/intersection improvements.
22. Demonstrate that the fire truck could successfully navigate through the site. To be reviewed with the construction permits.
23. The 2017 Addendum, Section 1.1.5 Projects Vested Under Previous Manuals, allows for the flow control design to use 2009 KCSWDM, since the flow control was designed under permitting of the adjacent project (Gilman Point Self-Storage).
24. Any future expansion or substantial modification beyond what is discussed in this staff report shall require the Development Commission's approval.
25. Construction permits shall be reviewed for compliance against the Draft Design Manual dated July 20, 2017.
26. Massing – Roof forms shall be more complex through the use of dormers or other features consistent with the Arts & Crafts style.
27. DELETED by the Development Commission
28. Entries, Ground-floor Retail – The retail entrance facing parking shall be restricted to service, employee, and/or emergency use only.
29. Entries, Ground-floor Commercial Office/Services – The commercial entrances facing parking shall be restricted to service, employee, and/or emergency use only.
30. Ground Floor Transparency, retail – Retail transparency on the East Wing, West facade shall be increased to comply with requirements.

31. Weather Protection – Weather protection on both south facades shall be increased to comply with the Design Manual and to meet the CIDDS requirements for protection at entries.

cc.

Development Commissioners and Alternates

Keith Niven

Lucy Sloman

Christopher Wright

Doug Schlepp

Robert Power

Kristian Azizeh

Gregg Percich

Lara Barnes

Parties of Record